

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE APPLICATION OF THE)	
FUEL ADJUSTMENT CLAUSE OF KENTUCKY)	CASE NO. 90-362-B
POWER COMPANY FROM MAY 1, 1991)	
TO OCTOBER 31, 1991)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 6, 1991 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Kentucky Power Company ("Kentucky Power") for the 6 months ended October 31, 1991.

As part of its review, Kentucky Power, pursuant to Commission Order, submitted certain information concerning its compliance with Commission Regulation 807 KAR 5:056. A public hearing was held on February 13, 1992.

The Commission has previously established Kentucky Power's base fuel cost at 12.92 mills per Kwh.¹ A review of Kentucky Power's monthly fuel clause filings shows that the actual fuel cost incurred for the 6-month period under review ranged from a

¹ Case No. 90-362, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Kentucky Power Company from November 1, 1988 to October 31, 1990, Order dated April 3, 1991.

low of 12.31 mills in May 1991 to a high of 13.86 mills in August 1991, with a 6-month average of 12.90 mills.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of Kentucky Power's FAC charge or improper fuel procurement practices.

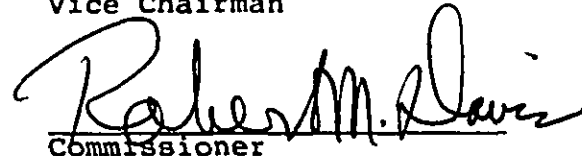
IT IS THEREFORE ORDERED that the charges and credits billed by Kentucky Power through its FAC for the period May 1, 1991 to October 31, 1991 be and they hereby are approved.

Done at Frankfort, Kentucky, this 6th day of April, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director, Acting